



MEDIA RELEASE

For immediate release

StarHub Strengthens Regional ICT and Enterprise Business through Acquisition of Majority Stake in HKBN JOS in Singapore and Malaysia

- *Joint venture continues to scale StarHub's Regional ICT segment, furthers StarHub's DARE+ strategy and creates synergies for the entities and the StarHub Group*
- *StarHub and HKBN to deepen partnership by collaborating broadly across provision of telecommunications services and development of ICT solutions*

Singapore and Hong Kong, 10 November 2021 – StarHub Ltd (“StarHub”; SGX: CC3) and HKBN Ltd. (“HKBN”; SEHK: 1310) announced today they have signed an agreement in which StarHub is acquiring from HKBN a 60% stake in HKBN JOS (Singapore) Pte. Ltd. (“JOS SG”) and HKBN JOS (Malaysia) Sdn. Bhd. (“JOS MY”) respectively, for a total consideration of S\$15 million (representing approximately HK\$87 million).

JOS SG and JOS MY have a track record of success of over 30 years respectively in the Information and Communications Technology (ICT) market. Today, they serve close to 1,500 government entities and blue-chip companies across industries such as Banking, Beverage, Electronics, Healthcare, Media, and Retail. JOS SG and JOS MY have deep expertise in delivering end-user computing, IT maintenance and IT infrastructure support services. They have also been developing solutions and services that meet the changing needs of enterprise customers who are accelerating digital and cloud transformation as well as embracing hybrid work models.

Following StarHub's investment in Strateq in July 2020, the acquisitions of JOS SG and JOS MY will accelerate the execution of its DARE+ strategy (next stage of five-year transformation), further strengthening the company's ICT capabilities, enterprise solution offerings and customer footprint across Singapore and Malaysia. The addition of JOS SG and JOS MY is also expected to harvest cost synergies in fixed operating costs and improved supply chain, between StarHub and JOS SG as well as between Strateq and JOS MY. Pro forma for these acquisitions for the nine-month period ended 30 September 2021, JOS SG and JOS MY will contribute S\$86 million¹

¹ For comparative purposes, the management account for JOS SG and JOS MY for the financial year ended 31 August 2021 has been adjusted to a nine-month financial period.



to StarHub's Enterprise Business revenue, which would amount to S\$610 million for the financial period. JOS SG and JOS MY collectively would contribute 14% of StarHub's overall Enterprise Business revenue for the same period.

More broadly, the overall partnership between StarHub and HKBN will boost revenue and profits through cross-selling and upselling of capabilities, connectivity as well as solution offering, to provide end-to-end value to corporate customers across Singapore, Malaysia, and Hong Kong. StarHub and HKBN will strengthen collaborations including the provision of telecommunications services, such as international services, backhaul and local network services, fixed-line voice services and mobile services. StarHub and HKBN will also look at opportunities for the co-development of ICT solutions and services.

"Our Enterprise business has been achieving strong double-digit year-on-year growth, as we empower our customers' transformation efforts with our Cybersecurity, Regional ICT and Network Solutions. We intend to accelerate our Enterprise growth, by deepening our capabilities in Singapore as well as extending these enterprise digital services capabilities across the region. With JOS SG and JOS MY onboard to complement our prior acquisition of Strateq, our strategy is well underway. We also look forward to working closely with HKBN, to open up business opportunities for both companies in the provision of bundled connectivity and ICT services, delivering real value to our customers across our respective markets and creating significant business synergies," commented Nikhil Eapen, Chief Executive of StarHub.

"On a strong foundation of technical excellence and silo-less teamwork, JOS SG and JOS MY delivered outstanding business results. We believe they will enjoy even greater synergy upside and growth potential to be backed by both StarHub and HKBN. We are also excited to forge deeper partnership with StarHub across a wide range of network and ICT services for mutual growth. This bolsters HKBN's and StarHub's ICT leadership positions in our respective markets to support enterprises customers expanding into the region," said NiQ Lai, HKBN Co-Owner & Group CEO and Ms Almira Chan, HKBN Co-Owner & Chief Strategy Officer and Head of Beyond Hong Kong of HKBN JOS.

Upon completion of the proposed acquisition, JOS SG and JOS MY will be majority-owned by StarHub. The transaction will be funded by StarHub's internal resources. It is expected to be completed by the end of 2021, subject to the satisfaction of mutually agreed conditions.

StarHub announcement: <https://bit.ly/3C1ZB68>

HKBN announcement: <https://bit.ly/30ihjWj>



Nikhil Eapen (mid left), Chief Executive of StarHub; Dennis Chia (left), Chief Financial Officer of StarHub; NiQ Lai (mid right), HKBN Co-Owner & Group CEO and Almira Chan (right), HKBN Co-Owner & Chief Strategy Officer and Head of Beyond Hong Kong of HKBN JOS

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